

# Medicaid Covered Products

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## What drugs and pharmaceutical supplies are covered?

Federal regulations govern the coverage of pharmaceuticals manufactured by companies who have signed a federal rebate agreement including:

- Placing the drug onto the drug formulary.
- Requiring that the drug be prior authorized.
- Not covering certain drugs.

## The Medicaid prescription drug program covers:

1. Legend drugs
2. Medicaid covers the following **prescribed** over-the-counter products:
  - Aspirin\*
  - Insulin
  - Laxatives\*
  - Antacids\*
  - Head lice treatment
  - H2 antagonist GI products
  - Bronchosaline

\*Nursing facilities are responsible for providing over-the-counter laxatives, antacids and aspirin to their residents.
3. Vaccines except:
  - For children 18 years old and under, coverage is limited to vaccines **not** available directly to physicians and clinics through the Vaccines for Children (VFC) program.
  - For clients with Medicare Part B insurance, Medicaid excludes pneumonia and flu vaccines from coverage.
4. Compounded prescriptions
5. Contraceptive supplies and devices

## **Client Cost Sharing (ARM 37.85.204 and 37.85.402)**

Clients are responsible for cost sharing for Medicaid-covered prescriptions to a maximum of \$25 per month. The following are exempt from cost sharing:

- Clients under 21 years of age
- Pregnant women (until end of postpartum, which begins on the last day of pregnancy and ends at the end of the month in which 60 days have passed)
- Nursing facility residents

Providers may choose to collect client cost sharing at the time of service or bill the client later. According to federal regulation, a provider cannot deny services to a Medicaid client due to the client's inability to pay cost sharing at the time services are rendered. However, the client's inability to pay cost sharing at the time services are rendered does not lessen the client's obligation to pay cost sharing.

For the prescription drug program, cost sharing is as follows:

- 5% of the Medicaid allowed amount with a minimum of \$1.00 and a maximum of \$5.00 per prescription.

The following drugs are exempt from cost sharing:

- Clozaril, all strengths
- Family planning prescriptions
- Compounded prescriptions for infusion therapy

## **What drugs and pharmaceutical supplies are not covered?**

The Medicaid prescription drug program does not reimburse for the following items or services:

1. Drugs supplied by drug manufacturers who have not entered into a federal drug rebate agreement.
2. Drugs supplied by other public agencies such as the United States Veteran's Administration, United States Department of Health and Human Services, Indian Health Services, local health departments, etc.
3. Drugs prescribed:
  - To promote fertility
  - For cosmetic purposes or hair growth
  - For an indication which is not medically accepted as determined by the Department in consultation with federal guidelines, DUE CARE, or the Department medical and pharmacy consultants.